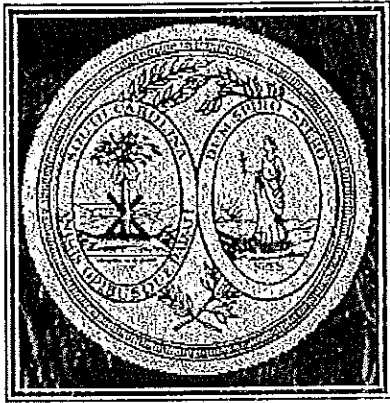


ORIGINAL

PUBLIC SERVICE
COMMISSION



of
SOUTH CAROLINA

COMMISSION
STAFF
REPORT

South Carolina Electric & Gas Company

Docket No. 2002-2-E

Adjustment of Base Rates
For Fuel Costs

March 2001 – February 2002 (Actual)

(March 2002 and April 2002 Estimated)

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4/11/02
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THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

STAFF REPORT

Of the

AUDIT DEPARTMENT

And

UTILITIES DEPARTMENT

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DOCKET NO. 2002-2-E

SOUTH CAROLINA ELECTRIC & GAS COMPANY

REPORT OF THE AUDIT DEPARTMENT
THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2002-2-E
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ANALYSIS OF SPOT COAL PURCHASING PROCEDURES

The Audit Staff examined the procedure followed by the Company's fuel supply section for obtaining and accepting bids on spot coal. To achieve this, Staff chose to examine two months of the audit period in which several spot coal bids were received. Staff examined spot coal bids received in the months of March 2001 and August 2001.

The fossil fuel supply section maintains a list of coal vendors from whom bids are solicited. South Carolina Electric & Gas mails each of these coal vendors a letter which states the necessary requirements for the coal the Company seeks, and the information needed concerning the coal producer and the fuel representatives' quality standards. The fuel representatives bargain over the price of the coal, and either accept or reject the coal vendor's offer. The Company's fuel representatives determine the current market price for spot coal prior to contacting the coal vendors about their bids. In this way, the fuel representatives determine the limits which should be observed when bargaining for coal. The fuel representatives consider at least three factors when accepting spot coal bids: the price per ton (including freight), the BTU content of the coal offered, and the past experience with the coal obtained from the producer. The Company normally requires all bids to be made in writing, but telephone bids are often received. However, South Carolina Electric & Gas Company requests that all telephone bids be confirmed by a subsequent letter.

Upon acceptance of a bid, South Carolina Electric & Gas Company prepares a confirming order, a copy of which is mailed to the coal vendor. When

the coal is received at the plant, the Company analyzes the coal for moisture, ash, sulfur, and BTU content and prepares an analysis report which is sent to the fuel supply section. The appropriate quality premium or penalty on the coal purchased is determined, and the results are forwarded to the Company's Accounting Section, which in turn, adds a premium or assesses a penalty to the total amount due to the coal vendor.

The fuel supply section closely monitors the quality of coal shipped by the various producers. If less than guaranteed performance is rendered by a certain producer, the fuel representative accesses this information and considers this when analyzing any future offers received from the supplier.

As previously mentioned, Staff examined spot coal bids received in the months of March 2001 and August 2001. The examination included reviewing any bids accepted and following the bargaining procedure on each bid.

During March 2001, out of approximately eight bids, the Company accepted three offers. During August 2001, out of thirteen bids, the Company accepted two offers.

The total spot coal tons purchased for the period March 2001 through February 2002 were approximately 655,408 tons.

RECOMPUTATION OF FUEL COSTS ADJUSTMENT FACTOR AND VERIFICATION OF UNBILLED REVENUE

The Audit Staff has recomputed the fuel adjustment factor utilizing information obtained from the Company's records.

With reference to fuel cost, Staff verified the Total Fuel Costs for the months of March 2001 through February 2002, to the Company's books and records.

In recomputing the factor, Staff has divided the Total Cost of Fuel Burned by Total System Sales to arrive at fuel costs per KWH sales. The base fuel cost per KWH, included in the base rates, is then subtracted from the fuel cost per KWH sales and the resulting figure represents the fuel cost adjustment above or below base per KWH sales. The South Carolina Retail Jurisdictional KWH deferrals were checked to the Company's records. The actual Unbilled Revenue for each month was verified to the Company's Detailed Ledger.

RECOMPUTATION OF TRUE-UP FOR (OVER) UNDER-RECOVERED FUEL COSTS

Staff analyzed the cumulative under-recovery of fuel costs that the Company had incurred for the period March 2001 through February 2002, which totaled \$40,472,698. Staff added the projected over-recovery of \$2,996,000 for the month of March 2002 and the projected over-recovery of \$ 1,786,800 for April 2002 to arrive at a cumulative under-recovery of \$35,689,898. The Company's cumulative under-recovery as of April 2002, per its testimony in Docket No. 2002-2-E, totals \$ 36,504,651. The difference between the Company's and the Staff's cumulative under-recovery totals \$814,753. This difference is based on various corrections Staff reflected in various Company fuel costs, such as Fossil Fuel Burned Costs, Nuclear Fuel Costs, Purchase and Interchange Power Fuel Costs,

and Intersystem Sales for several months of the review period (per Staff's report). Staff's Exhibit G, Computation of Unbilled Revenue, which consists of two pages, provides detailed explanations for this cumulative under-recovery difference of \$814,753. It should be noted that the Company will true-up this difference, on a per books basis, by the next fuel review period.

As stated in South Carolina Electric & Gas Company's Adjustment for Fuel Costs, fuel costs will be included in base rates to the extent determined reasonable and proper by the Commission.

Accordingly, the Commission should consider the under-recovery of \$35,689,898 along with the anticipated fuel costs for the period May 1, 2002 through April 30, 2003, for the purpose of determining the base cost of fuel in base rates effective May 1, 2002. This \$35,689,898 under-recovery figure was provided to the Commission's Utilities Department.

DETAILS OF FUEL COSTS

Details of fuel costs are shown in Exhibits A-G.

RESULTS OF EXAMINATION

Based on the Audit Staff's examination of South Carolina Electric & Gas Company's books and records, and the utilization of the fuel costs recovery mechanism as directed by this Commission, the Audit Department is of the opinion that the Company has complied with the directives of the Commission.

EXHIBITS

Exhibits relative to this report are identified as follows:

EXHIBIT A: TOTAL RECEIVED AND WEIGHTED AVERAGE COST

This exhibit reflects the total cost for the period March 2001 through February 2002, for the four types of fossil fuel: coal, # 2 oil, propane and natural gas. The Staff has also computed the weighted average cost of each type of fuel.

EXHIBIT B: RECEIVED COAL-COST PER TON (PER PLANT)

This exhibit shows the received cost per ton for coal at each plant for the period of time from March 2001 through February 2002, in dollars per ton including freight costs.

EXHIBIT C: RECEIVED COAL – COST PER TON COMPARISON

This exhibit reflects the received cost per ton for coal at each period of time from March 2001 through February 2002 for South Carolina Electric & Gas Company, Duke Power Company, and Carolina Power & Light Company. The Staff has shown for comparison purposes, the invoice cost per ton, freight cost per ton, total cost per ton and the cost per MBTU.

EXHIBIT D: BURNED COST-CONSUMED GENERATION

This exhibit reflects the per book cost of burned fuel, including emission allowance expenses, which was used for generation for the period March 2001 through February 2002. The burned cost of each class of fuel is separated and the percentage of total burned computed for each type.

EXHIBIT E: COST OF FUEL

The cost of fuel for the period March 2001 through February 2002 is shown in this exhibit.

EXHIBIT F: FACTOR COMPUTATION

This exhibit reflects the actual computation of the fuel adjustment factor for the period March 2001 through February 2002.

EXHIBIT G: COMPUTATION OF UNBILLED REVENUE

This exhibit reflects the computation of the unbilled revenue at April 30, 2002. The balance amounts to an under-recovery of \$35,689,898. This balance represents the difference between actual (with two months estimated) total fuel costs and unbilled fuel costs for the Company's retail customers for the period.

Audit Exhibit A

South Carolina Electric & Gas Company
Total Received and Weighted Average Cost
March 2001-February 2002

<u>Month</u>	<u>Coal</u> Tons	<u>Coal</u> \$	<u>#2 Oil</u> Gal	<u>#2 Oil</u> \$	<u>Propane</u> Gal	<u>Propane</u> \$	<u>MCF</u>	<u>Gas</u> \$	<u>Total Received</u> <u>Cost</u> \$
Mar-01	608,123	22,997,072	376,432	313,623	480	461	11,347	78,657	23,389,813
Apr-01	539,335	20,656,773	682,510	557,861	0	0	44,902	381,594	21,596,228
May-01	596,725	23,531,674	1,006,369	872,904	0	0	45,165	308,842	24,713,420
Jun-01	574,461	23,290,504	329,240	278,253	435	426	113,067	557,296	24,126,479
Jul-01	517,625	20,709,620	204,569	156,621	0	0	112,533	459,951	21,326,192
Aug-01	575,412	22,922,923	160,152	132,635	367	297	218,033	954,665	24,010,520
Sep-01	579,727	23,395,182	101,832	103,635	0	0	10,281	41,963	23,540,780
Oct-01	531,293	21,754,709	443,234	316,826	445	343	761,696	1,786,191	23,858,069
Nov-01	561,237	23,799,441	833,802	536,253	320	234	4,221	22,661	24,358,589
Dec-01	573,156	24,087,849	283,537	163,431	0	0	3,621	20,304	24,271,584
Jan-02	563,365	23,952,477	572,100	350,186	0	0	1,363	9,325	24,311,988
Feb-02	512,700	21,834,819	795,594	520,102	220	149	2,943	17,758	22,372,828
Total	6,733,159	272,933,043	5,789,371	4,302,330	2,267	1,910	1,329,172	4,639,207	281,876,490

Weighted Average 40.54 0.74 0.84 3.49

Audit Exhibit B

South Carolina Electric & Gas Company
Received Coal-Cost Per Ton (Per Plant)
March 2001-February 2002

Plant	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Canadys	38.66	38.46	41.24	43.39	45.22	41.63	44.39	42.48	39.89	41.52	41.94	45.01
Cope	36.16	37.86	39.37	36.95	36.34	36.09	36.09	36.27	37.97	39.45	36.80	35.68
McMeekin	36.84	36.61	35.95	37.08	36.93	41.80	40.02	44.44	48.93	43.01	47.32	43.55
SRS/D Area	41.00	45.34	39.74	47.93	43.68	44.44	44.58	45.16	46.48	0	42.60	47.76
Urquhart	38.24	46.91	39.48	40.33	39.35	40.19	40.96	51.86	15.31	44.02	0	43.43
Wateree	38.26	37.39	40.72	39.44	38.78	40.19	39.38	40.66	44.25	42.80	44.22	42.74
Williams	37.49	39.33	38.26	43.64	41.76	38.72	41.38	45.27	43.36	42.67	44.22	43.32
Total System	37.82	38.30	39.43	40.54	40.01	39.84	40.35	40.95	42.40	42.03	42.51	42.59

South Carolina Electric & Gas Company
Received Coal-Cost Per Ton Comparison
March 2001-February 2002

<u>South Carolina Electric & Gas Company</u>				
<u>Month</u>	<u>Invoice Cost</u>	<u>Freight Cost</u>	<u>Total Cost Per</u>	<u>Cost Per MBTU</u>
	<u>Per Ton</u>	<u>Per Ton</u>	<u>Ton</u>	
	\$	\$	\$	\$
Mar-01	25.88	11.94	37.82	1.4816
Apr-01	25.87	12.43	38.30	1.5031
May-01	27.26	12.17	39.43	1.5405
Jun-01	27.61	12.93	40.54	1.5919
Jul-01	27.42	12.59	40.01	1.5712
Aug-01	27.31	12.53	39.84	1.5738
Sep-01	27.56	12.79	40.35	1.5986
Oct-01	28.65	12.30	40.95	1.6259
Nov-01	29.89	12.51	42.40	1.6827
Dec-01	30.04	11.99	42.03	1.6612
Jan-02	30.08	12.43	42.51	1.6851
Feb-02	30.24	12.35	42.59	1.6652

<u>Duke Power Company</u>				
<u>Month</u>	<u>Invoice Cost</u>	<u>Freight Cost</u>	<u>Total Cost Per</u>	<u>Cost Per MBTU</u>
	<u>Per Ton</u>	<u>Per Ton</u>	<u>Ton</u>	
	\$	\$	\$	\$
Mar-01	28.04	10.54	38.58	1.5734
Apr-01	28.01	10.38	38.39	1.5561
May-01	28.20	10.49	38.69	1.5677
Jun-01	29.00	10.68	39.68	1.6172
Jul-01	32.31	10.52	42.83	1.7608
Aug-01	29.77	10.39	40.16	1.6480
Sep-01	32.14	10.38	42.52	1.7465
Oct-01	29.54	10.73	40.27	1.6537
Nov-01	28.05	10.32	38.37	1.5650
Dec-01	28.00	10.29	38.29	1.5727
Jan-02	27.03	14.56	41.59	1.7014
Feb-02	26.28	15.57	41.85	1.6918

<u>Carolina Power & Light Company</u>				
<u>Month</u>	<u>Invoice Cost</u>	<u>Freight Cost</u>	<u>Total Cost Per</u>	<u>Cost Per MBTU</u>
	<u>Per Ton</u>	<u>Per Ton</u>	<u>Ton</u>	
	\$	\$	\$	\$
Mar-01	32.55	11.62	44.17	1.7777
Apr-01	31.83	11.82	43.65	1.7541
May-01	30.91	11.65	42.56	1.7160
Jun-01	30.74	11.74	42.48	1.7168
Jul-01	32.73	11.66	44.39	1.7839
Aug-01	32.47	11.90	44.37	1.7978
Sep-01	31.83	11.93	43.76	1.7731
Oct-01	32.39	11.76	44.15	1.7799
Nov-01	31.94	11.68	43.62	1.7600
Dec-01	33.39	11.65	45.04	1.8082
Jan-02	32.83	11.33	44.16	1.7911
Feb-02	34.77	11.37	46.14	1.8411

Audit Exhibit D

South Carolina Electric & Gas Company
Burned Cost-Consumed Generation
March 2001-February 2002

<u>Month</u>	<u>Coal</u>		<u>#2 Oil</u>		<u>Propane</u>		<u>Gas</u>		<u>Nuclear</u>		<u>Total Burned Cost</u>	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Mar-01	13,009,016	84.50%	471,000	3.06	312	0	69,850	0.46%	1,844,386	11.98%	15,394,564	
Apr-01	10,747,896	77.89%	533,255	3.87	32	0	377,208	2.73%	2,139,985	15.51%	13,798,376	
May-01	15,512,023	84.16%	488,185	2.65	157	0	245,965	1.34%	2,184,717	11.85%	18,431,047	
Jun-01	19,761,745	89.67%	72,199	0.33	171	0	554,305	2.51%	1,650,118	7.49%	22,038,538	
Jul-01	21,321,349	89.48%	66,668	0.28	167	0	459,850	1.93%	1,981,076	8.31%	23,829,110	
Aug-01	21,951,443	87.10%	90,653	0.36	91	0	954,659	3.79%	2,204,775	8.75%	25,201,621	
Sep-01	18,031,183	88.92%	82,341	0.40	167	0	41,963	0.21%	2,122,897	10.47%	20,278,551	
Oct-01	15,922,698	77.86%	536,350	2.62	115	0	1,785,913	8.73%	2,206,883	10.79%	20,451,959	
Nov-01	12,253,363	83.97%	185,225	1.27	102	0	21,789	0.15%	2,132,103	14.61%	14,592,582	
Dec-01	13,318,264	84.61%	203,883	1.30	64	0	9,855	0.06%	2,208,716	14.03%	15,740,782	
Jan-02	16,908,040	87.56%	188,856	0.98	16	0	1,310	0.01%	2,210,750	11.45%	19,308,972	
Feb-02	14,999,959	87.40%	155,044	0.90	81	0	8,129	0.05%	1,999,155	11.65%	17,162,368	
Totals	193,736,979	85.64%	3,073,659	1.36	1,475	0	4,530,796	2.00%	24,885,561	11.00%	226,228,470	

Audit Exhibit E

South Carolina Electric & Gas Company
Cost of Fuel
March 2001-February 2002

<u>Month</u>	<u>Total Cost of Fuel Burned</u> \$	<u>Purchased and Interchange Power Fuel Cost</u> \$	<u>Fuel Cost Recovered Intersystem Sales</u> \$	<u>Total Fuel Cost</u> \$
Mar-01	15,394,564	8,214,018	(1,041,733)	22,566,849
Apr-01	13,798,376	12,069,084	(357,435)	25,510,025
May-01	18,431,047	6,434,041	(1,422,901)	23,442,187
Jun-01	22,038,538	8,190,872	(1,177,831)	29,051,579
Jul-01	23,829,110	7,781,194	(1,571,519)	30,038,785
Aug-01	25,201,621	7,594,042	(1,018,544)	31,777,119
Sep-01	20,278,551	5,851,072	(2,494,585)	23,635,038
Oct-01	20,451,959	4,399,584	(182,115)	24,669,428
Nov-01	14,592,582	6,271,573	(887,660)	19,976,495
Dec-01	15,740,782	6,625,042	(502,086)	21,863,738
Jan-02	19,308,972	8,201,777	(1,784,200)	25,726,549
Feb-02	17,162,368	6,646,904	(1,975,607)	21,833,665
Totals	226,228,470	88,279,203	(14,416,216)	300,091,457

South Carolina Electric & Gas Company
Factor Computation
March 2001-February 2002

<u>Month</u>	<u>Total Fuel</u>		<u>Total System</u>		<u>Fuel Cost per</u>		<u>Base Cost Per</u>		<u>Fuel</u>	
	<u>Costs</u>		<u>Sales Excluding</u>		<u>KWH Sales</u>		<u>KWH Included in</u>		<u>Adjustments</u>	
	<u>\$</u>	<u>KWH</u>	<u>Sales</u>	<u>KWH</u>	<u>\$/KWH</u>	<u>\$/KWH</u>	<u>Rates</u>	<u>Per KWH</u>	<u>\$/KWH</u>	<u>Per KWH</u>
Mar-01	22,566,849	1,508,938,132			0.014955	0.01330			0.00166	
Apr-01	25,510,025	1,571,968,125			0.016229	0.01330			0.00293	
May-01	23,442,187	1,653,426,989			0.014178	0.01579			(0.00161)	
Jun-01	29,051,579	1,855,580,058			0.015656	0.01579			(0.00013)	
Jul-01	30,038,785	2,003,093,535			0.014996	0.01579			(0.00079)	
Aug-01	31,777,119	2,042,047,965			0.015561	0.01579			(0.00023)	
Sep-01	23,635,038	2,048,970,371			0.011535	0.01579			(0.00426)	
Oct-01	24,669,428	1,631,430,844			0.015121	0.01579			(0.00067)	
Nov-01	19,976,495	1,495,550,081			0.013357	0.01579			(0.00243)	
Dec-01	21,863,738	1,541,284,009			0.014185	0.01579			(0.00161)	
Jan-02	25,726,549	1,813,568,647			0.014186	0.01579			(0.00160)	
Feb-02	21,833,665	1,610,784,336			0.013555	0.01579			(0.00224)	

South Carolina Electric & Gas Company
Computation of Unbilled Revenue
March 2001 - April 2002

	ACTUAL					
	March 2001	April 2001	May 2001	June 2001	July 2001	August 2001
Fossil Fuel Burned (2)	13,550,178	11,658,391	16,246,330	20,388,420	21,848,034	22,996,846
Nuclear (2)	1,844,386	2,139,985	2,184,717	1,650,118	1,981,076	2,204,775
Purchase & Interchange Power (2)	8,214,018	12,069,084	6,434,041	8,190,872	7,781,194	7,594,042
Sub-total	23,608,582	25,867,460	24,865,088	30,229,410	31,610,304	32,795,663
Less: Intersystem Sales (2)	1,041,733	357,435	1,422,901	1,177,831	1,571,519	1,018,544
Total Fuel Costs	22,566,849	25,510,025	23,442,187	29,051,579	30,038,785	31,777,119
Total System KWH Sales Excluding Intersystem Sales	1,508,938,132	1,571,988,125	1,653,426,989	1,855,580,058	2,003,093,535	2,042,047,965
\$/KWH Sales	0.014955	0.016228	0.014178	0.015656	0.014996	0.015561
Less: Base	0.01330	0.01330	0.01579	0.01579	0.01579	0.01579
Fuel Adjustment Per KWH	0.00166	0.00293	(0.00161)	(0.00013)	(0.00079)	(0.00023)
Unbilled Revenue KWH Sales	1,420,463,245	1,486,084,273	1,557,708,560	1,751,636,377	1,894,661,286	1,924,970,051
Deferred Fuel Entry	2,357,969	4,354,227	(2,507,911)	(227,713)	(1,496,782)	(442,743)
February 2001 - (1)	60,454,498 (1)					
Cumulative (Over)/Under Recovery	62,812,467	67,166,694	64,658,783	64,431,070	62,934,288	62,491,545

Note:

(1) Staff's cumulative under-recovery balance brought forward from February 2001 of \$60,454,498 differs from the Company's beginning cumulative under-recovery balance (from February 2001) of \$60,394,868 by \$59,630. This cumulative difference was based on Staff's corrections to Fossil Fuel Burned Costs, Nuclear Fuel Costs, Purchased Power Costs and Intersystem Sales for several months, as reflected in the last fuel review period. It should be noted that the Company, in its testimony, reflects this cumulative correction of \$59,630 in June 2001.

(2) (a) Staff's Fossil Fuel Burned Costs figure for 9/01 differs from the Company's figure. Staff's figure reflects corrections for miscalculations made to fossil fuel costs. (b) Staff's Nuclear Fuel Costs figure for 4/01 differs from the Company's figure because Staff's figure reflects a revised nuclear cost. (c) Staff's Purchased Power figures for 3/01, 4/01, 6/01 through 8/01, 11/01 and 1/02 differ from the Company's figures. Staff's figures, per Staff's report, reflect calculation adjustments made to Purchased Power Costs for the aforementioned months, based on Staff's review of Purchased Power system operations reports and invoices. (d) Also, Staff's Intersystem Sales figures for 3/01 through 7/01 and 10/01 differ from the Company's figures. Staff's figures, per Staff's report, reflect calculation adjustments made to Intersystem Sales for the aforementioned months, based on Staff's review of Intersystem Sales system operations reports, invoices and updated Sales information.

South Carolina Electric & Gas Company
Computation of Unbilled Revenue
March 2001 - April 2002

	ACTUAL					ESTIMATED	
	September 2001	October 2001	November 2001	December 2001	January 2002	February 2002	March 2002 April 2002
Fossil Fuel Burned (2)	18,155,654	18,245,076	12,460,479	13,532,066	17,098,222	15,163,213	14,553,000
Nuclear (2)	2,122,897	2,206,883	2,132,103	2,208,716	2,210,750	1,999,155	2,304,000
Purchase & Interchange Power (2)	5,851,072	4,399,584	6,271,573	6,625,042	8,201,777	6,846,904	6,737,000
Sub-total	26,129,623	24,851,543	20,864,155	22,365,824	27,510,749	23,809,272	23,594,000
Less: Intersystem Sales (2)	2,494,585	182,115	887,660	502,086	1,784,200	1,975,607	1,715,000
Total Fuel Costs	23,635,038	24,669,428	19,976,495	21,863,738	25,726,549	21,833,665	21,879,000
Total System KWH Sales Excluding Intersystem Sales	2,048,970,371	1,631,430,844	1,495,550,081	1,541,284,009	1,813,568,647	1,610,784,336	1,587,000,000
\$/KWH Sales	0.011535	0.015121	0.013357	0.014185	0.014186	0.013555	0.013786
Less: Base	0.01579	0.01579	0.01579	0.01579	0.01579	0.01579	0.01579
Fuel Adjustment Per KWH	(0.00426)	(0.00067)	(0.00243)	(0.00161)	(0.00160)	(0.00224)	(0.00200)
Unbilled Revenue KWH Sales	1,951,790,273	1,545,646,142	1,410,918,156	1,451,894,505	1,712,800,649	1,521,208,752	1,498,000,000
Deferred Fuel Entry	(8,314,627)	(1,035,583)	(3,428,531)	(3,092,117)	(2,740,481)	(3,407,508)	(2,996,000)
August 2001 - (p. 1 of 2)	62,491,545						\$ (1,786,800)
Cumulative (Over)/Under Recovery	54,176,918	53,141,335	49,712,804	46,620,687	43,880,206	40,472,698	37,476,698
							35,689,898

Note: (2) Continued

It should be noted, per the Company's testimony, that the Company made some true-up adjustments to the various fuel costs, which Staff reflected correctly in most of the actual months. The Company's true-up adjustments were in 5/01 (for understated fossil fuel costs), 6/01 (the true-up from the last fuel hearing) and 12/01 (for corrections to Intersystem Sales & Fossil Fuel Costs, which is also reflected in Staff's report in 12/01. Staff's 12/01 deferred entry total of \$ 3,092,117 consists of the over-recovery adjustment of \$ 754,567, which is the Company's 12/01 true-up adjustment, and consists of the 12/01 monthly deferred over-recovery entry of \$ 2,337,550). It should be noted that in Staff's report, after Staff's corrections to the aforementioned various fuel costs, the difference between the Company's and the Staff's cumulative under-recovery balances as of actual February 2002 and as of estimated April 2002 is \$ 814,753. The Company will true-up this difference, on a per books basis, by the next fuel review period.

**REPORT OF THE UTILITIES DEPARTMENT
OF
THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA**

DOCKET NO. 2002-2-E
SOUTH CAROLINA ELECTRIC & GAS COMPANY
Annual Review of Base Rates for Fuel Costs

REPORT OF UTILITIES DEPARTMENT
SOUTH CAROLINA PUBLIC SERVICE COMMISSION
DOCKET NO. 2002-2-E
SOUTH CAROLINA ELECTRIC & GAS COMPANY
Annual Review of Base Rates for Fuel Costs
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REPORT OF UTILITIES DEPARTMENT

SOUTH CAROLINA PUBLIC SERVICE COMMISSION

DOCKET NO. 2002-2-E

SOUTH CAROLINA ELECTRIC & GAS COMPANY REPORT OF FUEL ADJUSTMENT ANALYSIS

SCOPE OF EXAMINATION

The Commission's Utilities Department Staff analyzed the Company's procedures and practices pertaining to its fuel operation. Staff's examination consisted of the following:

- 1) Review of the Company's monthly fuel reports including:
 - a) Power Plant Performance Data Reports
 - b) Major Unit Outage Reports
 - c) Generation Mix
 - d) Generation Statistics
 - e) Retail Comparison of MWH Sales
 - f) Retail Comparison of Fuel Costs
- 2) Review of the Company's currently approved Adjustment for Fuel Costs tariff.
- 3) History of Cumulative Recovery Account.
- 4) Calculation of fuel costs to be included in the base rates for May 2002 through April 2003.

REVIEW OF COMPANY'S MONTHLY FUEL REPORTS

The Company files with this Commission monthly reports that include power plant performance data, major unit outages, generation mix, and other reports that provide the Staff pertinent data on which to evaluate the Company's fuel operating expenses.

Selected information from the Power Plant Performance Data Reports for nuclear and fossil plants is shown on Exhibit No. 1. It includes a listing of capacity factors and equivalent availability factors for each unit by month for the period and also includes the yearly capacity factors (1999-2001) and the lifetime (cumulative) capacity factor of the V. C. Summer Nuclear Station. These factors are expressed as a percentage. This percentage figure can be

a useful index when attempting to locate or identify a particular problem or unusual occurrence.

Pursuant to S.C. Code Ann. Section 58-27-865 (Supp. 2001) certain criteria are established for review of a utility's effort to minimize fuel expenses. In evaluating a utility's fuel costs under this section, it is necessary to examine and determine whether the utility has made every reasonable effort to minimize fuel costs associated with the operation of its nuclear generation system while "giving due regard to reliability of service, economical generation mix, generating experience of comparable facilities and minimization of the total cost of providing service."

The Staff's Nuclear Unit Outage Report considers each outage experienced, giving the inclusive dates of the outage, hours down, type of outage (Scheduled or Forced), the reason for the outage, and the corrective action taken. This information covers the period being considered in this proceeding and is shown in Exhibit No. 2A. Staff compiled this data through review of Company documents, NRC documents, and interviews with Company personnel. The Company's V C Summer Nuclear Unit operated very well during this review period, achieving an overall average capacity factor in excess of 96 percent.

The Staff's Base Load Fossil Unit Outage Report is a listing of plants by unit, duration of outage (greater than 100 hours), reason for down time, and corrective action taken to return the plant to service. The information specifically reviewed for this proceeding is for the months of March 2001 through February 2002 and is included in Exhibit No. 2B.

Staff reviewed and compiled a percentage Generation Mix statistic sheet for the Company's fossil, nuclear and hydraulic plants for March 2001 through February 2002. The fossil generation ranged from a high of 78% to a low 64%. The nuclear generation ranged from a high of 31% to a low of 17%. The percentage of generation by hydro ranged from a high of 5% to a low of 2%. This information is included in Exhibit No. 3. The Staff also collected and reviewed certain Generation Statistics of Major Plants for the 12 months ending February 28, 2002. This data is presented on Exhibit No. 4. This Exhibit shows the Company's major plants by name, type of fuel used, fuel cost in cents per kilowatt-hour to operate and total megawatt-hours generated for the period. The nuclear fueled Summer Plant was lowest in cost at 0.46 cents per kilowatt-hour. The highest amount of generation of 5,433,619 megawatt-hours was also produced at the VC Summer Station.

Utilities Department Exhibit No. 5 shows a comparison of the Company's original retail megawatt-hour (MWH) estimated sales to the actual sales for the period from March 2001 through February 2002. The original projections ranged from an over-estimate of 0.16% in May 2001 to an over-estimate of 10.49% in December 2001 with a total over-estimate of 5.13% for the period.

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
POWER PLANT PERFORMANCE DATA REPORT
CAPACITY FACTORS (PERCENTAGE)**

PLANTS NAME	UNIT	MW RATING	YEAR 1999	YEAR 2000	YEAR 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	JAN 2002	FEB 2002
CANADYS	1	106	24.3	54.2	75.0	84.7	73.0	84.5	72.2	87.5	83.7	81.9	80.6	8.4	76.4	79.3	52.9
CANADYS	2	116	31.0	63.8	65.3	0.0	0.0	57.0	89.6	85.9	94.7	87.8	90.8	42.6	82.1	61.7	69.1
CANADYS	3	175	37.5	59.6	60.2	73.3	29.0	61.1	87.4	87.4	91.3	29.7	36.5	0.0	49.0	82.1	51.6
McMEEKIN	1	126	78.5	84.0	65.6	86.4	74.2	70.0	87.6	89.8	92.3	77.7	0.0	0.0	31.3	79.4	43.5
McMEEKIN	2	126	80.1	85.4	78.5	91.8	70.1	88.2	91.0	90.9	90.7	88.8	81.5	30.9	33.6	54.6	61.0
URQUHART	1	72	61.7	55.1	45.4	0.0	0.0	0.5	63.9	78.7	91.9	42.8	79.7	21.9	0.0	0.0	0.0
URQUHART	2	72	59.8	60.6	52.0	50.2	0.0	56.6	79.9	90.7	97.2	74.6	0.0	0.0	0.0	0.0	0.0
URQUHART	3	95	57.7	64.0	72.6	58.1	26.8	83.9	86.5	89.1	93.5	85.0	84.6	70.6	5.3	0.0	0.0
WATEREE	1	350	71.7	77.9	63.9	69.0	24.3	55.8	83.4	80.8	81.6	70.4	48.9	51.1	41.2	66.4	76.7
WATEREE	2	350	73.6	70.9	73.5	89.9	86.7	42.5	81.0	81.4	84.0	71.2	66.1	60.6	45.0	64.5	75.8
WILLIAMS		615	87.8	82.5	74.5	83.8	58.6	81.8	60.2	80.1	94.0	82.6	0.0	74.5	84.9	88.0	90.7
COPE		410	76.6	77.4	69.7	0.0	58.0	95.4	97.3	97.3	99.4	95.1	99.7	96.5	85.4	89.0	97.6
FOSSILTOTALS		2613	68.6	74.0	69.1	61.4	50.6	69.7	79.9	85.7	91.0	76.9	50.0	54.5	58.3	70.1	70.8
V.C. SUMMER* (SCEG)		966	86.1	81.3	79.3	83.0	100.7	99.2	74.2	89.1	99.5	99.5	100.2	100.2	100.5	100.7	100.7
(SCPSA)		644															
		322															

*THE LIFETIME CAPACITY FACTOR FOR V.C.SUMMER THROUGH FEBRUARY 2002 IS 78.9%

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
POWER PLANT PERFORMANCE DATA REPORT
AVAILABILITY FACTORS (PERCENTAGE)**

PLANTS NAME	UNIT	MW RATING	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	JAN 2002	FEB 2002
CANADYS	1	106	100.0	80.9	99.4	87.8	100.0	95.5	100.0	100.0	33.1	100.0	99.7	73.7
CANADYS	2	116	0.0	0.0	75.1	100.0	94.6	99.9	100.0	100.0	75.0	100.0	93.1	90.0
CANADYS	3	175	89.6	35.4	74.7	100.0	97.3	100.0	89.2	90.4	63.8	95.6	99.9	62.3
McMEEKIN	1	126	100.0	86.6	87.2	100.0	100.0	100.0	90.2	0.0	0.0	47.2	99.7	96.3
McMEEKIN	2	126	100.0	79.9	100.0	100.0	100.0	97.1	100.0	100.0	88.6	100.0	100.0	94.6
URQUHART	1	72	0.0	0.0	1.0	82.3	93.3	100.0	100.0	99.5	25.0	0.0	0.0	0.0
URQUHART	2	72	51.3	0.0	68.4	92.9	100.0	100.0	86.3	0.0	0.0	0.0	0.0	0.0
URQUHART	3	95	65.5	33.6	100.0	100.0	100.0	100.0	100.0	100.0	99.1	35.7	0.0	0.0
WATEREE	1	350	95.7	40.4	69.3	100.0	100.0	100.0	99.3	64.4	69.9	88.6	100.0	100.0
WATEREE	2	350	100.0	94.7	55.3	100.0	100.0	100.0	99.5	75.7	84.8	94.2	100.0	100.0
WILLIAMS		615	100.0	71.9	100.0	75.7	90.5	100.0	93.5	0.0	89.6	100.0	100.0	100.0
COPE		410	0.0	63.6	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	98.8	100.0
FOSSILTOTALS		2613	66.8	48.9	77.5	94.9	98.0	99.4	96.5	69.2	60.7	71.8	74.3	68.1
V.C. SUMMER* (SCEG)		966	91.8	100.0	100.0	82.9	91.6	100.0	100.0	100.0	100.0	100.0	100.0	100.0
(SCPSA)		644												
		322												

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
V. C. SUMMER NUCLEAR UNIT OUTAGE REPORT
March 1, 2001 – February 28, 2002**

<u>NO.</u>	<u>DATE OFF</u>	<u>DATE ON</u>	<u>HOURS/TYPE*</u>	<u>REASON FOR OUTAGE AND CORRECTIVE ACTION</u>
1.	03/01/01	03/03/01	61.2/F/S	Unit was returned to service from Refueling Outage and extended down time due to major piping repair from reactor to Steam Generator.
2.	05/03/01	05/05/01	105.2/S	Unit shut down to repair steam generator shell side steam leakage.
3.	05/23/01	05/23/01	7.3/ S	Unit removed from service to make repairs to the two CIV valves.
4.	05/30/01	05/30/01	10.9/S	Unit was unable to achieve full power after prior outage due to failure of the disconnect switch in the plant switch yard. Switch was replaced.
5.	07/21/01	07/24/01	62.5/F	Failure in the main generator breaker air system forced the unit off line for repairs to a crack in the support flange of the generator breaker.

TYPE* F- Forced S- Scheduled

**SOUTH CAROLINA ELECTRIC & COMPANY
BASE LOAD FOSSIL UNIT OUTAGE REPORT
(100 HRS OR GREATER DURATION)
March 1, 2001 – February 28, 2002**

<u>MONTH</u>	<u>UNIT</u>	<u>HRS/TYPE*</u>	<u>REASON FOR OUTAGE AND CORRECTIVE ACTION</u>
MAR 01	Canadys 2	744.00/S	Turbine generator inspection and overhaul.
	Urquhart 1	744.00/S	Turbine generator inspection, overhaul, and upgrade.
	Urquhart 2	362.52/S	Generator inspection and electro hydraulic control (EHC) system installation.
	Urquhart 3	193.65/S	Feedwater system modifications and control system upgrade.
	Cope	744.00/F	Unit forced off line in January due to generation ground fault.
APR 01	Canadys 1	143.13/S	Modifications to the house service cooling tower piping.
	Canadys 2	719.00/S	Outage continued from March.
	Canadys 3	161.87/S	Repairs to valves that isolate the steam driven boiler feed pump.
		283.22/F	Unit forced off line due to a feedwater trip.
	Urquhart 1	719.00/S	Outage continued from March.
	Urquhart 2	719.00/S	Outage continued from March.
	Urquhart 3	477.68/S	Upgrades to the boiler and turbine control system and modifications to feedwater sys.
	McMeekin 2	144.83/S	General maintenance.
	Wateree 1	428.22/S	Scheduled maintenance.
	Williams	201.87/S	General inspections and repairs.
MAY 01	Cope	258.15/F	Continued outage due to generation ground fault.
	Canadys 3	146.38/S	Installed new valves on the electric driven boiler feed pump and F.D. fan drive gears/coupling.
	Urquhart 1	705.83/S	Turbine generator inspection, overhaul, and upgrade.
	Urquhart 2	139.00/S	Inspect and repair Generator and install GE Turbine Control System.
	Wateree 1	228.10/S/F	Initially down for scheduled maintenance and was continued out of service due to an EHC leak, and tube boiler leaks.
	Wateree 2	325.90/S	Scheduled Spring maintenance.
JUN 01	NONE		
JUL 01	NONE		
AUG 01	NONE		
SEP 01	NONE		

**SOUTH CAROLINA ELECTRIC & COMPANY
BASE LOAD FOSSIL UNIT OUTAGE REPORT
(100 HRS OR GREATER DURATION)**

March 1, 2001 – February 28, 2002

<u>MONTH</u>	<u>UNIT</u>	<u>HRS/TYPE*</u>	<u>REASON FOR OUTAGE AND CORRECTIVE ACTION</u>
OCT 01	Urquhart 2	745.00/S	Unit taken off line to complete the conversion to combined cycle operation.
	McMeekin 1	745.00/S	High pressure turbine overhaul.
	Wateree 2	175.40/S	Scheduled Fall outage.
	Williams	745.00/S	Maintenance to safety valve and hopper.
NOV 01	Canadys 1	453.50/S	Replaced conveyor belts.
	Canadys 2	180.35/S	Scheduled maintenance and repair.
	Canadys 3	246.00/S	Scheduled maintenance and repair.
	Urquhart 1	540.02/S	Unit taken off line to complete the conversion to combined cycle operation.
	Urquhart 2	720.00/S	Unit taken off line to complete the conversion to combined cycle operation.
	McMeekin 1	720.00/S	High pressure turbine overhaul.
DEC 01	Wateree 1	216.48/S	
	Urquhart 1	744.00/S	Unit taken off line to complete the conversion to combined cycle operation.
	Urquhart 2	744.00/S	Unit taken off line to complete the conversion to combined cycle operation.
	Urquhart 3	127.00/S	Chemically cleaned Boiler No. 3.
JAN 02	McMeekin 1	351.00/S	Repair crack in turbine high-pressure outer shell.
		371.22/S	High pressure turbine overhaul.
	Urquhart 1	744.00/S	Unit taken off line to complete the conversion to combined cycle operation.
	Urquhart 2	744.00/S	Unit taken off line to complete the conversion to combined cycle operation.
FEB 02	Urquhart 3	120.00/S	Outage continued to repair crack in turbine high-pressure outer shell.
		624.00/S	Unit taken off line to complete the conversion to combined cycle operation.
	Canadys 1	170.15/S	Repairs to two waterwall leaks and the lube oil pump for the turbine.
	Canadys 3	205.95/S	Chemically cleaned boiler.
	Urquhart 1	672.00/S	Unit taken off line to complete the conversion to combined cycle operation.
	Urquhart 2	672.00/S	Unit taken off line to complete the conversion to combined cycle operation.
	Urquhart 3	672.00/S	Unit taken off line to complete the conversion to combined cycle operation.

TYPE* F- Forced S-Scheduled

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GENERATION MIX

MARCH 1, 2001 - FEBRUARY 28, 2002

<u>MONTH</u>	<u>PERCENTAGE</u>		
	<u>FOSSIL</u>	<u>NUCLEAR</u>	<u>HYDRO</u>
Mar-01	73	24	3
Apr-01	65	31	4
May-01	71	25	4
Jun-01	78	17	5
Jul-01	76	19	5
Aug-01	75	20	5
Sep-01	74	23	3
Oct-01	64	31	5
Nov-01	68	29	3
Dec-01	70	28	2
Jan-02	73	25	2
Feb-02	73	24	3

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GENERATION STATISTICS OF MAJOR PLANTS

MARCH 1, 2001 - FEBRUARY 28, 2002

PLANT	TYPE FUEL	AVERAGE FUEL COST (CENTS/KWH*)	GENERATION (MWH)
Summer	Nuclear	0.46	5,433,619
McMeekin	Coal	1.62	1,479,325
Wateree	Coal	1.63	4,078,147
Cope	Coal	1.57	2,777,755
Williams	Coal	1.52	3,941,419
Urquhart	Coal	1.68	915,972
Canadys	Coal	1.84	2,188,133

(*) The average fuel costs for coal-fired plants include oil and/or gas cost for start-up and flame stabilization.

SOUTH CAROLINA ELECTRIC & GAS COMPANY
SOUTH CAROLINA RETAIL COMPARISON OF ESTIMATED TO ACTUAL ENERGY SALES

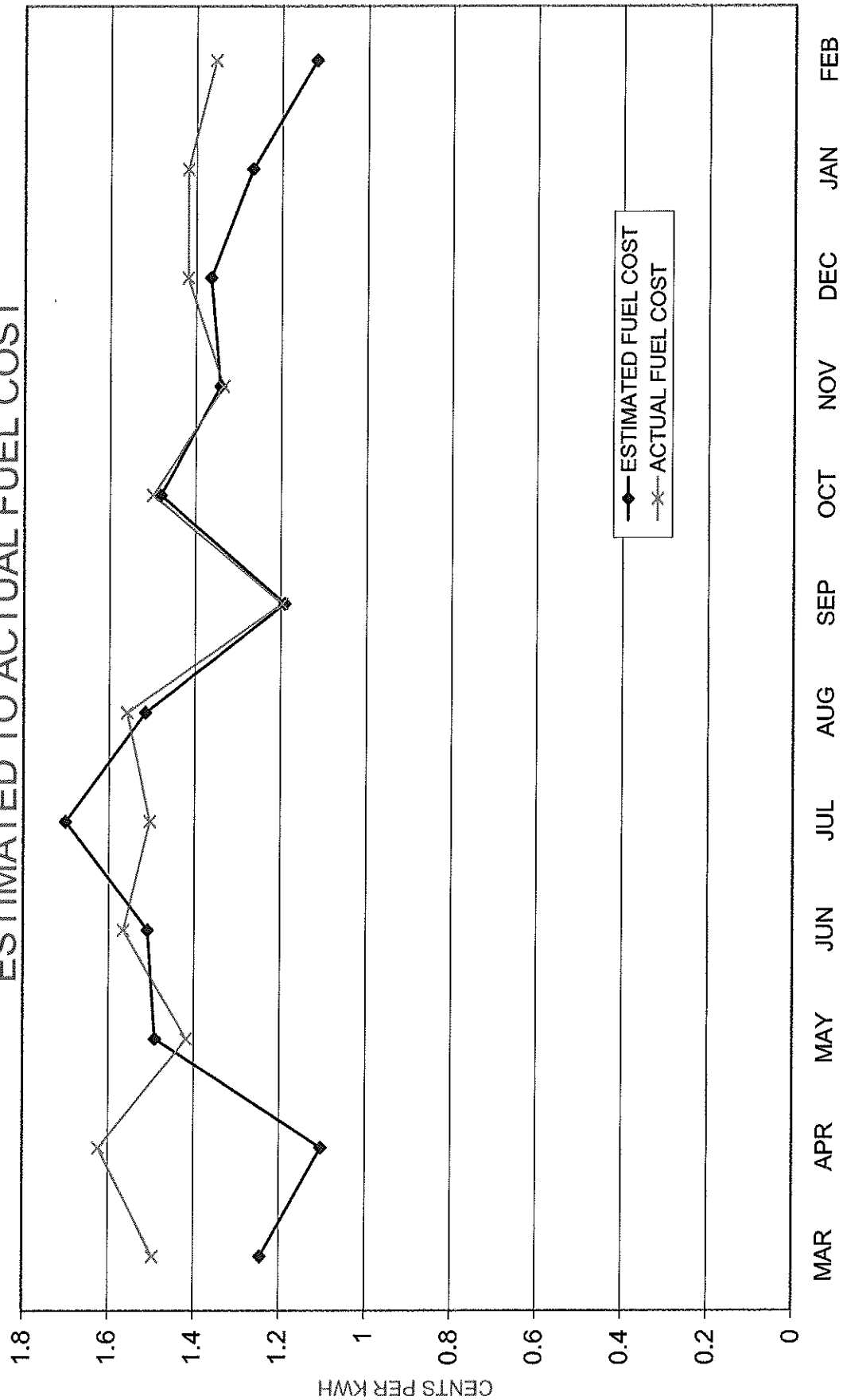
	2001	2002												
	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>TOTAL</u>	
[1] ESTIMATED SALES [MWH]	1,594,000	1,586,000	1,656,000	1,939,000	2,151,000	2,171,000	2,098,000	1,753,000	1,590,000	1,703,000	1,848,000	1,753,000	21,842,000	
[2] ACTUAL SALES [MWH]	1,508,938	1,571,968	1,653,427	1,855,580	2,003,094	2,042,048	2,048,970	1,631,431	1,495,550	1,541,284	1,813,569	1,610,784	20,776,643	
[3] AMOUNT DIFFERENCE [1]-[2]	85,062	14,032	2,573	83,420	147,906	128,952	49,030	121,569	94,450	161,716	34,431	142,216	1,065,357	
[4] PERCENT DIFFERENCE [3]/[2]	5.64%	0.89%	0.16%	4.50%	7.38%	6.31%	2.39%	7.45%	6.32%	10.49%	1.90%	8.83%	5.13%	

DOCKET NO. 2002-2-E
 UTILITIES DEPARTMENT
 EXHIBIT NO. 5

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
SOUTH CAROLINA RETAIL COMPARISON OF ESTIMATED TO ACTUAL FUEL COST**

	2001 <u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	2002 <u>JAN</u>	<u>FEB</u>
[1] ORIGINAL PROJECTION	1.2442	1.1023	1.4908	1.5084	1.7011	1.5150	1.1908	1.4821	1.3435	1.3660	1.2680	1.1188
[2] ACTUAL EXPERIENCE	1.4955	1.6228	1.4178	1.5657	1.5039	1.5582	1.1970	1.4989	1.3359	1.4185	1.4186	1.3555
[3] AMOUNT IN BASE	1.3300	1.3300	1.5790	1.5790	1.5790	1.5790	1.5790	1.5790	1.5790	1.5790	1.5790	1.5790
[4] VARIANCE FROM ACTUAL [1-2]/[2]	-16.80%	-32.07%	5.15%	-3.66%	13.11%	-2.77%	-0.52%	-1.12%	0.57%	-3.70%	-10.62%	-17.46%

SOUTH CAROLINA ELECTRIC & GAS COMPANY ESTIMATED TO ACTUAL FUEL COST



DOCKET NO. 2002-2-E
UTILITIES DEPARTMENT
EXHIBIT NO. 7

MARCH 2001 - FEBRUARY 2002

SOUTH CAROLINA ELECTRIC & GAS COMPANY

ELECTRICITY

SOUTH CAROLINA ELECTRIC & GAS COMPANY

ADJUSTMENT FOR FUEL COSTS

APPLICABILITY

This adjustment is applicable to and is part of the Utility's South Carolina retail electric rate schedules.

The Public Service Commission has determined that the costs of fuel in an amount to the nearest one-thousandth of a cent, as determined by the following formula, will be included in the base rates to the extent determined reasonable and proper by the Commission.

$$F = \frac{E}{S} + \frac{G}{S1}$$

Where:

F = Fuel cost per kilowatt-hour included in base rate, rounded to the nearest one-thousandth of a cent.

E = Total projected system fuel costs:

- (A) Fuel consumed in the Utility's own plants and the Utility's share of fuel consumed in jointly owned or leased plants. The cost of fossil fuel shall include no items other than those listed in Account 151 of the Commission's Uniform System of Accounts for Public Utilities and Licensees plus SO2 emission allowances. The Cost of nuclear fuel shall be that as shown in Account 518 excluding rental payments on leased nuclear fuel and except that, if Account 518 also contains any expense for fossil fuel which has already been included in the cost of fossil fuel, it shall be deducted from this account.

PLUS

- (B) Purchased power fuel costs and applicable SO2 emission allowances such as those incurred in unit power and Limited Term power purchases where the fossil fuel costs and applicable SO2 emission allowances associated with energy purchased are identifiable and are identified in the billing statement.

PLUS

- (C) Interchange power fuel costs and applicable SO2 emission allowances such as Short Term, Economy and other where the energy is purchased on an economic dispatch basis.
Energy receipts that do not involve money payments such as diversity energy and payback of storage energy are not defined as purchased or interchange power relative to this fuel calculation.

MINUS

- (D) The cost of fossil fuel and applicable SO2 emission allowances recovered through Intersystem sales including the fuel costs and applicable SO2 emission allowances related to economy energy sales and other energy sold on an economic dispatch basis.

Energy deliveries that do not involve billing transactions such as diversity energy and payback of storage energy are not defined as sales relative to this fuel calculation.

S = Projected system kilowatt-hour sales excluding any intersystem sales.

G = Cumulative difference between jurisdictional fuel revenues billed and fuel expenses at the end of the month preceding the projected period utilized in E and S.

S1 = Projected jurisdictional kilowatt-hour sales, for the period covered by the fuel costs included in E.

The appropriate revenue related tax factor is to be included in these calculations.

The fuel cost as determined by the Public Service Commission of South Carolina Order No. 2000-0402 for the period May 2001 through April 2002 is 1.579 Cents per kilowatt hour.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

HISTORY OF CUMULATIVE RECOVERY ACCOUNT

<u>PERIOD ENDING</u>	<u>OVER (UNDER) \$</u>
January 1979 – Automatic Fuel Adjustment in Effect	
July 1979	4,427,600
April 1980	7,608,796
October 1980	(462,050)
April 1981	2,188,451
October 1981	(10,213,138)
April 1982	5,164,628
October 1982	9,937,268
April 1983	9,767,185
October 1983	(4,527,441)
April 1984	(2,646,395)
October 1984	(3,211,158)
April 1985	(9,545,054)
October 1985	(6,115,435)
April 1986	2,474,301
October 1986	(540,455)
April 1987	(353,393)
October 1987	(3,163,517)
April 1988	9,247,139
October 1988	2,717,342
April 1989	(5,665,737)
October 1989	(8,777,726)
April 1990	(5,288,612)
October 1990	6,536,591
April 1991	7,180,922
October 1991	4,160,275
April 1992	15,835,472
October 1992	15,449,670
April 1993	16,006,551
October 1993	10,069,457
April 1994	2,646,301
October 1994	(265,302)
April 1995	6,622,597
October 1995	4,202,766
February 1997	4,914,169
February 1998	596,797
February 1999	(1,303,094)
February 2000	(124,599)
February 2001	(60,454,498)
February 2002	(35,689,898)

SOUTH CAROLINA ELECTRIC & GAS COMPANY
PROJECTIONS OF THE CUMULATIVE RECOVERY ACCOUNT
FOR THE TWELVE MONTH PERIOD ENDING
APRIL 2003

	FUEL BASE (Cents/Kwh)	PROJECTED CUMULATIVE OVER/(UNDER) RECOVERY (\$)
CURRENTLY APPROVED	1.500	(45,793,698)
	1.550	(35,483,698)
	1.579	(29,503,898)
	1.600	(25,173,698)
	1.700	(4,553,698)
	1.710	(2,491,698)
	1.720	(429,698)
	1.721	(223,498)
COMPANY PROPOSED	1.722	(17,298)
	1.723	188,902
	1.726	807,502
	1.730	1,632,302
	1.735	2,663,302
	1.740	3,694,302
	1.750	5,756,302
	1.800	16,066,302
	1.850	26,376,302
	1.900	36,686,302

SOUTH CAROLINA ELECTRIC & GAS COMPANY
PROJECTIONS OF THE CUMULATIVE RECOVERY ACCOUNT
FOR THE TWELVE MONTH PERIOD ENDING
APRIL 2003

	FUEL BASE (Cents/Kwh)	PROJECTED CUMULATIVE OVER/(UNDER) RECOVERY (\$)
	1.500	(36,548,203)
	1.550	(26,216,703)
CURRENTLY APPROVED	1.579	(20,224,433)
	1.600	(15,885,203)
	1.650	(5,553,703)
	1.676	(181,323)
	1.677	25,307
	1.678	231,937
	1.690	2,711,497
	1.700	4,777,797
	1.722	9,323,657
COMPANY PROPOSED	1.726	10,150,177
	1.735	12,009,847
	1.740	13,042,997
	1.750	15,109,297
	1.800	25,440,797
	1.850	35,772,297
	1.900	46,103,797